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THE TRUTH ABOUT THE RECORDS

Volume I.

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"If they know the TRUTH the TRUTH will set them FREE!"
—*Alberta Social Credit Board.*

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Here are Facts

in answer to

"The Records Tell the Story"

which was recently compiled, printed and distributed at the taxpayers' expense by the Social Credit Board, which board was created by the Government of the Province of Alberta from among the sitting members of the legislature.

•

PRICE: 10 CENTS

YOUR ATTENTION IS DRAWN TO
THE COLOR OF THIS COVER

•

Blue has been chosen to remind you of

"THE SOCIAL CREDIT MANUAL"

By WM. ABERHART, B.A.

Published in 1935.

•

IN IT WERE ALL THOSE PROMISES
AND ROSY PICTURES

Do You Remember?

Basic Dividends ($25.00 a month or more);
Interest-free Loans to Producers;
Reduced Taxation at once;
Reduced Interest Rates;
Freedom from Public and Private Debt without confiscation;
Just Price and Lower Cost to Live, Etc., Etc.

•

The Cover on Our Copy of the old Blue Book is Rather Faded Now . . .

So are those Rosy Pictures and the Promises.

THE TRUTH ABOUT THE RECORDS

Volume 1.

•

"THESE FACTS CAN BE VERIFIED FROM OFFICIAL REPORTS AVAILABLE TO ALL WHO CARE TO CHECK THEM."

•

We **HAVE** Checked
"THE REPORTS"
AND
HERE ARE THE FACTS!

"IF YOU HAVE NOT SUFFERED ENOUGH, IT IS YOUR GOD-GIVEN RIGHT TO SUFFER SOME MORE."—*Manning.*

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"THE RECORDS TELL THE STORY"

LEFT THIS PAGE BLANK.

●

The publishers of *"The Records,"* the Social Credit Board of the Government of the Province of Alberta, could afford to leave it blank because they paid for it with money they took from you in taxes.

We must use this page to tell you that this answer, "THE TRUTH ABOUT THE RECORDS," has been paid for by popular subscription.

We thank all who have so aided in making the answer possible, and in so doing have helped to "let the people know the truth."

Wherever the term *"The Records"* is used in this booklet the reference is to *"The Records Tell the Story."*

Additional details concerning any of the statements made in this booklet, or information respecting any phase of provincial finance or administration may be readily secured by communicating with:

The Secretary,
Unity Council of Alberta,
432 Lougheed Building,
Calgary, Alberta.

67/9

THE LEGACY

LIBERAL RULE—1905 to 1921

●

"The Records" itemize every service of the Social Credit regime down to the bounty paid on the last 98 gopher tails, but omits major accomplishments of preceding governments. From 1905-21 these include:

1. Housing our government, legal and educational systems, agricultural schools.
2. Rural hospitals.
3. Mothers' Allowance Act.
4. Pioneering one of the heaviest road problems in North America.
5. Made possible northern railways.
6. Aided Lethbridge Northern Irrigation. Result: Sugar factories, large prosperous area.

"The Records" state debt 1921, $95,000,000.00. *Unfair statement.* Had *"The Records"* subtracted "guarantees," as they do in computing 1939 debt, total in 1921 would be $61,665,000.00 (Public Accounts, 1939, page 92).

"Taxation is directly opposed to all the principles of Social Credit. Taxation is directly opposed to what we promised the people on the last election day."

H. O. HASLAM, K.C., *Social Credit M.L.A.*
Budget Debate, March, 1937.

THE LEGACY

(Continued)

Of this debt the following amounts were assets, or provincial equipment:

Telephones	$20,186,000
Assets and Miscellaneous	1,393,000
Loans and Advances partially secured	3,632,000
Public Buildings and Works	10,274,000
Roads, Bridges, Ferries	9,374,000
Railways	9,765,000
University	305,000
	$54,929,000

COMPARISON OF REVENUES

	1905-21 (17 years)	1921-36 (15 years)	1936-39 (3 years)
Total Revenue	$ 71,000,000	$193,000,000	$ 69,000,000
Yearly average	4,176,000	12,867,000	23,000,000
Per Capita Per Year	10.11	19.06	29.50

The largest Liberal annual revenue was $9,006,000. From 1905 to 1921 total revenue was $71,000,000.

Social Credit government revenue for the year 1939, was more than one-third the total Liberal revenue in 17 years.

Average population before 1922 was under 411,000. Is it reasonable the population of that day should have paid cash for institutions that will serve us for many years to come?

THE LEGACY

U.F.A. RULE—1921 to 1935.

●

"The Records" damn the U.F.A. Government with faint praise. They must add these accomplishments:

1. Placed civil service on high non-partisan plane. Since grossly abused by Social Crediters.

   "I am sure we shall never have Social Credit established until we get the whole Civil Service dismissed and their places taken by Social Crediters."

   Mrs. Edith Gostick, speaking at Big Valley.
   Press, June 1, 1937.

2. Started standard highway system—2,113 miles gravelled (only 11 miles in 1921), 59 miles hard-surfaced.

3. Introduced the actual health system of which *"The Records"* boast, including travelling dental clinics (1921), and medical clinic (1924).

   Public Health nurses examined 360,000 children before 1935. ("Case for Alberta," page 285).

DO YOU RECALL THAT THE RECALL ACT WAS RECALLED?

THE LEGACY

(Continued)

4. Debt Adjustment Act. The first in North America and the model for other provinces. Inspired similar Federal Act. Social Credit debt legislation disallowed. One living law is better than ten dead ones.

5. Co-operative marketing — agricultural services. (See page 30, of this booklet, "Benefits to Farmers").

6. Brought Alberta's credit to peak in 1934 when bond issue sold at lowest interest in history of province.

"The Records" charge U.F.A. Government:

1. *"Left Treasury Empty"* — UNTRUE — Sinking Fund in August, 1935, was in better shape than at any time since. Cash, investments, and realizable assets in 1935 worth $1,852,000 (Interim Public Accounts, August 31, 1935, page 25).

2. *"Left Sinking Fund Frozen"*—UNTRUE—Sinking Fund August 31, 1935, composed of bonds of western provinces, Calgary and Edmonton.

"If it comes down to it, we'll have to make these people co-operate or get out of the province."

—N. B. James, S.C., Acadia, Press, January 16, 1937.

THE LEGACY

(Continued)

Freezing came when Social Credit government destroyed market for Alberta securities. Social Credit payments to fund now $2,712,000 in arrears. (Public Accounts March 31, 1939, page 79).

3. *"Stopped Saving Certificate Payments"*—Payments stopped August, 1935, with approval of incoming Social Credit government. Run on Treasury caused by lack of confidence following election of Social Credit government.

4. *"Wasted Natural Resources"* — As no other resource wastage has ever been referred to, it is presumed this charge applies to natural gas. Even after 1930 when Alberta got control of her resources, control of gas wastage remained with Federal Government. (See Oil Development, page 39, *"The Truth"*).

"WHAT ALBERTA MAKES, MAKES ALBERTA"

WHAT ALBERTA FAKES, BREAKS ALBERTA

THE LEGACY

(Continued)

5. *"Let roads and phones deteriorate"*—UNTRUE—Basic investment in highways and secondary roads was constantly maintained by U.F.A. government. Social Credit government has neglected all roads except blotter-surfaced highways.

   Alberta's telephone was comparable to the best on the continent, and has been repeatedly so described by competent engineers.

6. *"Introduced Income Tax—boosted others"*—A just income tax is fairest way to obtain revenue and remove burden from land. Social Credit government "boosted" Income Tax 100% and 200% in the lowest two income divisions.

•

OF THESE SIX CHARGES:

THREE ARE UNTRUE (1, 2 and 5).

TWO ARE UNFAIR (3 and 4).

ONE IS STUPID (6).

"You can fool some of the people all of the time, and all of the people some of the time, but you can't fool all of the people all of the time."

—Abraham Lincoln.

THE PEOPLE'S LEGACY

●

Under the above heading "*The Records*" (page 7), list:

"*Business Failures (5 years), 307.*"

and

"*Unemployed (registered), 7,406 family heads.*"

Cause was loss of export sales and depressed prices for Alberta farm products in world markets through establishing of economic self-sufficiency policies in European customer-countries. "*The Records*" entirely ignore world-wide nature of depression commencing 1929.

●

"*Inadequate Health Services*"—On page 21, "*The Records,*" it is stated:

"*HEALTH SERVICES*"
Before 1936
POLIO
(Infantile Paralysis)
Nil.

This is an absolute mis-statement.

The special Poliomyelitis (infantile paralysis) hospital, first of its kind in the world, was established in connection with the University Hospital, Edmonton, in 1927, by the U.F.A. Government.

NUISANCE TAXES	
1935	1939
NIL.	$38,376.00.

THE PEOPLE'S LEGACY

(Continued)

"*$250,000 unpaid teachers' salaries*"—(Presumably when Social Credit came into power).

If "*The Records*" had been honest they would have quoted from their own Social Credit government's official and weighty book, "Case for Alberta" (page 270):

"Arrears of salaries reached a total at December 31, 1936, (16 months later) of $304,000." which is a still worse figure.

"*Wasteful school system*"—Merit of the enlarged school district is still an open question in the minds of taxpayers and rural school trustees.

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PUBLIC RELATIONS

ANOTHER SOCIAL CREDIT BOARD

Its work is to prepare political pamphlets—propaganda—for the Social Credit Party *at the expense of the taxpayers of Alberta*.

In the year ended March 31, 1939, this Board cost the taxpayers of Alberta $12,862.48.

The Estimates, page 8, provide for this Board and the Social Credit Board for 1938-1939, $100,000; 1939-1940, $52,150.

This has never been done before by any Political Party in the British Empire.

ALBERTA'S DEBT

THE GOVERNMENT HAVE INCREASED —NOT DECREASED—THE DEBT BURDEN OF THE PEOPLE.

"The Records," p. 9, claims:

That the Social Credit Government has reduced the Public Debt by.....$ 3,000,000.00

The TRUTH is that since August '35 the Public Debt has been increased by..... 3,299,126.18

AN ERROR OF.....$ 6,299,126.18

HERE IS THE PROOF!

	Aug. 31, 1935 Interim Public Accts., Page 8	Dec. 31, 1939 Interim Public Accts., Page 11
Funded and unfunded debt	$ 153,923,027.49	$ 150,408,770.42
Selfsupporting assets (Realizable and income producing) ..	30,279,332.72	23,465,949.47
	$ 123,643,694.77	$ 126,942,820.95
		123,643,694.77

Increase of net debt August 31, 1935, to December 31, 1939.....$ 3,299,126.18

The Government claims there has been reduction of the *Gross* Funded and Unfunded Debt, and there is no question that this is true. What is really important is whether or not there has been an increase in the amount which has to be repaid by the taxpayers and on which they have to pay interest.

ALBERTA'S DEBT

(Continued)

To arrive at this, the self-supporting assets have been deducted from the debt in the above statement. Payments from the Northern Alberta Railways and the Wheat Pool have reduced the over-all debt but the corresponding self-supporting assets are automatically wiped out.

The real burden of debt resting on the shoulders of Alberta's citizens is not decreased; it is increased by $3,299,126.18.

How "The Records" arrive at its erroneous figures is presumably due to the deduction from the gross debt of the province, the amount of the payments made by the Northern Alberta Railways and the Wheat Pool, not realizing that when the payments were made the corresponding self-supporting asset was automatically wiped out. When payment of a liability is made, the corresponding asset is cancelled, the result being in such a case that the net debt remains the same.

It is interesting to note that while the Government cut in half the interest on the 4½% bonds representing the money lent to the Wheat Pool, *it exacted from the Pool the full rate of interest.*

"We went to our first session and passed legislation which was contrary to what was promised you. We supported the premier and cabinet in everything—right or wrong."

—A. J. Hooke, M.L.A., S.C., at Calgary,

REFUNDING OF PUBLIC DEBT

GOVERNMENT IGNORES EXPERT'S ADVICE

Dr. Jacob Viner, noted economist of Chicago, was brought to Alberta by the Social Credit Government to advise on the public debt. This is what he told the cabinet in his report:

THE CUT IN INTEREST

"As an offset to the saving in interest to the provincial government resulting from the unilateral reduction in the rates at which payments were made, there are genuine losses to the people of the province. *These losses are most obvious where the holders of the provincial obligations were Albertans.* But they extended further than this. The suspension of payments not only injured very seriously the credit of the provincial government, but they tended to cast a cloud over all credit of the province, including that of municipalities as well as individuals and corporations."

—DR. JACOB VINER'S *Report.*

This report, made by an expert employed by the Government, is critical of the Government. The report has not been printed, and it is even impossible to obtain a typed copy. The main points in the report got into the newspapers by accident!

His report HAS BEEN IGNORED BY THE ALBERTA CABINET.

REFUNDING OF PUBLIC DEBT

(Continued)

Professor Viner recommended negotiations with the bondholders, instead of which the methods of the "Big Stick" were adopted.

The proper approach was that of Premier Bracken in a conference with representatives of the bondholders on February 8, 1937. The following is an extract from the press report issued at that time:

> "We made no arbitrary demands. **We approached our creditors as honest borrowers,** seeking a mutual and honorable adjustment of interest charges which seven years of depression have made an onerous burden."

"The purchasing power of the people has been lowered, which is the opposite to what had been promised before the election."

R. E. ANSLEY, *Social Credit M.L.A.*
Budget Debate, March, 1937.

PRIVATE DEBT REDUCTION

"The great burden of debt must be lifted from the backs of our people. . . . This we are doing gradually."

—"The Records", page 18.

●

1. REDUCTION OF DEBT.
2. PROTECTION OF DEBTOR.

These are the Facts:

(a) Reduction of Debt—
There is no power under The Debt Adjustment Act to compel the reduction of debt. The only effective method of debt reduction is by voluntary adjustment or under The Farmer's Creditors Arrangement Act, Dominion legislation.

(b) By adopting a policy of full co-operation with the Dominion Government the final settlement of the debt question could be speeded up. Instead of adopting this method, which is the only effective method, the Social Credit Government have followed and are still following a policy of antagonism leading to complete isolation.

A. V. BOURCIER, *M.L.A.*, Lac Ste. Anne, at a meeting in Rocky Mountain House, said:

"Here is a list of 25 charges against Premier Aberhart, any five of which should be sufficient reason for ousting him."

Edmonton Journal, May 28, 1937.

PRIVATE DEBT REDUCTION

(Continued)

Cases dealt with under Farmer's Creditors Arrangement Act total 3,941, involving a total indebtedness of over $31,000,000. After adjustment this amount was reduced by over $13,000,000.

This results in an average reduction per farmer of $3,359.09 and a saving in interest the first year of $294.85.

This was done without the co-operation of the Provincial Government.

WHAT COULD BE DONE WITH THEIR CO-OPERATION?

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2. Protection of Debtor—

The main protection of the debtor has been the Debt Adjustment Act.

This Act was first passed by the previous government over 10 years before the Social Credit Government assumed office.

This Act was the first of its kind introduced in the British Empire and has served as a model for similar

> "If I find out I can't do it, I'll throw up my hands and quit."
>
> —Premier Aberhart, Calgary,
> Calgary Herald, December 23, 1935.

PRIVATE DEBT REDUCTION

(Continued)

acts in the western provinces. The purpose of this Act was to afford protection to the debtor until such time as a final reduction in his debts could be made but it does not attack the heart of the debt adjustment problem.

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REFERENCE TO DISALLOWED LEGISLATION RE. DEBT POSITION

Debt Legislation

This is a formidable list. The whole strength of Premier Aberhart's appeal was his definite assurance and promise that all of his programs could be carried out in a constitutional manner.

The Effect of the Disallowed Legislation

The policy of isolation, the disregard of the constitution of Canada, has challenged the whole legislation of Alberta, weakened the position of the debtor, brought the Debt Adjustment Act into the courts, and resulted in great financial loss to all the citizens of Alberta.

> "Next six months will decide whether Social Credit succeeds or fails in Alberta. Within that time, the die will be cast one way or the other."
>
> —E. C. Manning, Calgary,
> Edmonton Journal, July 27, 1936.

PROVINCIAL BANK

The latest promise of the most promising government of all times, is now a Provincial Bank.

A resolution sponsored and supported by the Government favouring a Provincial Bank was passed in the Legislature.—Journals of House, 1936, page 161.

A similar resolution presented to a later session by some Social Credit members was defeated, with the Government and its supporters voting against it.—Journals of House, 1937, page 21.

Dominion Government offered in the House of Commons to grant to Alberta a Provincial Bank Charter.

THIS OFFER NOT ACCEPTED

A Bill to establish a Provincial Bank enacted on the eve of an election.

STARTS, STOPS AND REVERSES.

PROMISES of:

\$25.00 a month dividends,
Interest free loans,
Just Price,
Etc., Etc., Etc.,

secured the election of the Social Credit Government.

PROVINCIAL BANK

(Continued)

●

NOT ONE OF THESE PROMISES FULFILLED.

No doubt Mr. Aberhart will tell us that the Provincial Bank will usher in the dawn of the "new economic order" where we will enter into the enjoyment of our "cultural heritage" and where the "dog eat dog" philosophy of life will disappear.

Are the promises and catch phrases of 1935 to be used as election bait again?

To use the words so frequently on the lips of Mr. Aberhart and Mr. Manning:

"If you have not suffered enough it is your God-given right to suffer some more."

WHERE ARE THE DIVIDENDS?

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Speaking at a meeting in Rocky Mountain House, A. J. HOOKE, *Social Credit M.L.A.*, Red Deer, declared:

"I object to the Hitlerish and dictatorial methods of the Premier."

Edmonton Jonrnal, May 28, 1937.

HOME BUILDING

ANOTHER LOSS TO ALBERTA

Alberta's Policy of Antagonism and Isolation has Deprived the People of this Province of the Benefits of The National Housing Act.

New houses built under National Housing Act by December 31, 1939:

In Canada.....more than 13,000

In Alberta.....Nil

MONEY LENT:

In Canada.....more than $20,000,000

In Alberta.....Nil

Alberta receives no loans because Alberta has no credit.

Alberta has no credit because of Social Credit.

Alberta needs new homes as much as any other province, more than some.

British Columbia built 1,984 homes under National Housing Act, receiving $6,288,200 to make the building possible.

Building can and will be a great stimulus to industry in Alberta, and a constructive step towards the solution of unemployment, but under a Social Credit Government there will be no sound of hammers.

REVENUE ANALYSIS

(Page 11 *"The Records"*)

58% MORE MONEY COLLECTED FROM THE PEOPLE OF ALBERTA

6,049,120 MORE DOLLARS

Increase in revenue raised in Alberta,

1934-35 compared with 1938-39.....$6,049,120

Every man pays $7.68 more.
Every woman pays $7.68 more.
Every child pays $7.68 more.
Every family of 5 pays $38.40 more every year.

PUBLIC ACCOUNTS TELL THE TRUTH

The fiction from *"The Records,"* page 11, says:

Income account revenue, 1939-40.....$18,818,745
Income account revenue, 1935-36..... 16,575,151

Increase.....$ 2,243.594

The figures for 1939-40 is an estimate of the *net* revenue.

That of 1935-36 is the *gross* revenue.

That is like comparing the live weight of a hog with the dressed weight!

HONEST COMPARISON FROM PUBLIC ACCOUNTS

●

1934-35 last complete year of previous Government.

1938-39 last complete year of present Government.

The truth from the Public Accounts Statements No. 7:

1938-39	$24,269.817
1934-35	15,697.770
	$ 8,572,047
Deduct increase of subsidies, refunds and revenue producing assets to get net revenue	2,522,927
Increase in net amount collected from local sources	$ 6,049,120

●

THE TRUTH FROM PUBLIC ACCOUNTS

Increase in income	$ 6,049,120
The fiction from "*The Records*" says the increase is	2,243,594
ERROR OF	$ 3,805,526

A MERE ERROR OF
3¾ MILLIONS.

NOTHING IS HIDDEN,
NOTHING IS CONCEALED.
Page 55, "*The Records.*"

THE BLOOD STREAM

•

The Social Credit Government has had $10,000,000 per year more to spend than the former government.

Increased Revenue from Local Sources, 1938-39	Over $ 6,000,000 per year
Unpaid interest on provincial debt and unpaid sinking fund	Over 4,000,000 per year
Total	Over $10,000,000 per year
Net Revenue, collected from Local Sources, 1934-35	10,000,000
Net Revenue, collected from Local Sources, 1938-39	16,000,000
Available yearly from unpaid interest on provincial debt and unpaid sinking fund	4,000,000
Total	$20,000,000

•

100% INCREASE

The Provincial Treasurer had available to him in 1938-39 100% more money than in 1934-35.

Taken from Statements No. 7 of Public Accounts

1935 and 1939

Revenue collected on Income Acct.	1934-35	1938-39	Decrease* or Increase
Dominion of Canada Subsidies	$ 1,771,475	$ 1,781,787	$ 10,312
Taxes, Real and Personal	4,956,957	8,245,797	3,288,841
Licenses	1,883,814	2,544,531	660,717
Fees	1,933,791	2,785,111	851,320
Fines and Penalties	46,605	68,742	22,137
Profits from Trading activities	1,527,133	2,780,771	1,255,638
Refunds of Expenditures	1,986,379	4,798,159	2,811,780
From Revenue Producing Assets	1,504,864	1,205,699	* 299,165
Miscellaneous	86,749	59,216	* 27,533
Total Revenue Collected	$15,697,770	$24,269,817	$ 8,572,047
Deduct from the above, the items not collected from Local Sources:			
Refunds of Expenditures	$ 1,986,379	$ 4,798,159	$ 2,811,780
Dominion Subsidies	1,771,475	1,781,787	10,312
From Revenue Producing Assets	1,504,864	1,205,699	* 299,165
To be deducted from above total	$ 5,262,718	$ 7,785,645	$ 2,522.927
Net amount raised from Local Sources	$10,435,052	$16,484,172	$ 6,049,120
Increase in amount raised from Local Sources, 1934-35 compared with 1938-39			$ 6,049,120

58% MORE TAXES.

	1934-35	1938-39	Increase
Supplementary or Social Service Tax	$ 915,100	$ 1,394,078	$ 478,978
Corporations	691,572	1,088,966	397,394
Gas and Fuel Oil	1,945,260	2,953,128	1,007,868
Income Tax	377,971	1,466,676	1,088,605
Railway Mileage	306,533	477,214	170,681
Succession Duties	292,701	372,169	79,468
Auto Licenses	1,618,315	2,186,898	567,983
Miscellaneous Licenses	265,499	258,233	92,734
Grazing Fees	54,777	118,851	64,074
Petroleum and Natural Gas, Fees and Rentals	104,280	372,449	268,169
Petroleum and Natural Gas Royalties	61,265	394,453	333,188
School Lands	107,281	260,068	152,787
Tax Recovery Fees	36,589	94,576	57,987
Liquor Profits	1,526,000	2,755,188	1,229,188
			$ 5,989,104

"THE BIG SHOTS"

The little fellow "takes the rap." When the rates were revised, the assessments on Premier Aberhart and the other "Big Shots," those with Taxable Incomes of $10,000 a year and over, were only raised 15%.

From $5,000 to	$10,000	there was a	22%	boost over their old rate.
" 4,000 "	5,000	"	50%	"
" 3,000 "	4,000	"	66⅔%	"
" 2,000 "	3,000	"	100%	"
" 1,000 "	2,000	"	200%	"
And on the first	1,000	"	100%	"

We are glad to be able to repeat with confidence the statement on page 56 of "The Records" . . . WISE IS HE WHO CAN APPRECIATE FACTS!

"PROSPERITY CERTIFICATES"

COSTLY EXPERIMENT FAILS

Here are facts about the Aberhart government's adventure into the realm of "funny money."

Issue began August 5, 1936, with a flourish of trumpets. Said Mr. Fallow:

"There are about 5,000 men at work on public works projects now, and in another week—by the middle of July—we will have 10,000 more; all the unemployed men in the province, at work."

—Edmonton Journal, July 9, 1936.

But the trumpeting was virtually ended by November 5, 1936, and the venture officially pronounced defunct the following April.

Twenty million dollars was to have been issued; $500,000 was actually printed as One Dollar Certificates, bearing a resemblance to dollar bills, and 344,647 of these were issued. There were 32,355 outstanding February 28, 1937; these are believed to have been kept by souvenir hunters!

Redemption stamps to the value of $24,522.48 were sold, on which a commission of $358.20 was paid. Stamp vendors numbering 606 were appointed.

The Government took $10,000 from the public treasury to produce this pretty soap bubble. The bubble burst. Sessional paper 56-1937).

Civil Servants, urged by the Cabinet to accept them, bought under this seemingly gentle form of compulsion $64,993.00 of them from August 5, 1936, to February 28, 1937.

But Cabinet Ministers and Members of the Legislature refused to accept them in salaries or indemnities.

TREASURY BRANCHES

ANOTHER WASTEFUL EXPERIMENT

The Social Credit Government takes pride in this unprofitable experiment while the people foot the bill.

The Treasury Branches have cost up to December 31, 1939, $326,702, which does not include rent of equipment and premises. The end is not in sight.

Deficit in the last six months' operations was over twice that in the first six.

Deposits were declared by the Hon. Solon Low to be $1,114,000.00 on September 30, 1939.

Deposits in chartered banks in Alberta were approximately $100,000,000.00 at that time.

The cost of operation on this basis is approximately 25% per annum of deposits.

The Public Accounts ending March 31, 1939, p. 15, show the cost of Treasury Branches to that date to be $69,327.07.

In the estimates April 1, 1939 to March 31, 1940, there is provision for the following costs of Treasury Branches:

On operation expenses	$239,500.00
On capital expenditures	28,335.00

In addition to the above the following special warrants have been issued for extra expenditure as follows:

Furnishings	$ 16,000.00
Buildings and furnishings, Edmonton	37,500.00
Buildings and furnishings, Calgary	56,000.00

The heavy operating expense of treasury houses, and the 3% bonus can be paid only out of the taxpayers' money.

THE RECALL FIASCO

BETRAYAL OF CONFIDENCE

"In six months you will have recall legislation and you can banish me to the tall timbers."

PREMIER ABERHART, Edmonton Journal, Dec. 23, 1935.

THIS PROMISE WAS KEPT—AND BROKEN

The 1935 Social Credit platform contained a promise to enact a Recall Act. This legislation was passed on April 3, 1936.

In 1937 the electors of Okotoks-High River took action to recall their member, Mr. Aberhart.

The necessary deposit of $200.00 was made with the Clerk of the Legislature September 21, 1937. Petitions were circulated in the constituency and it was claimed that they were signed by more than the required 66 2-3 per cent of the voters.

The Social Credit Government and more particularly Mr. Aberhart, became alarmed and passed on October 5, 1937, an Act repealing The Recall Act.

THE GOVERNMENT STILL RETAINS THE $200.00 DEPOSIT.

LORD MACMILLAN'S JUDGMENT

●

TWISTING THE TRUTH

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Page 13 of *"The Records"* quotes Lord Macmillan as follows:

> "The Alberta Legislature is within its powers—a sovereign Legislature."

The correct quotation is:

> "The Alberta Legislature is, within its powers, a sovereign Legislature."

The meaning conveyed by the quotation in *"The Records"* is:

> The Alberta Legislature is within its powers (and is) a sovereign Legislature.

●

If they know the TRUTH,
the TRUTH will set them FREE!
—Page 3 "The Records."

●

When a Government to serve its own ends descends to the practice of misquoting statements, as it does in this instance, it has indeed lost all sense of decency and honor.

This inaccuracy has been drawn to the attention of the Government by the press on numerous occasions so its repetition in *"The Records"* is a deliberate misrepresentation.

BENEFITS (?) TO FARMERS

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PRACTICALLY ALL BENEFITS CLAIMED IN THE RECORDS WERE ESTABLISHED BY PRECEDING GOVERNMENTS

•

The whole system of advanced agricultural education established before 1935.

•

Notable lack of representation of agriculture and co-operatives in present administration.

•

AGRICULTURE IS THE BASIC INDUSTRY OF ALBERTA

•

Provincial Co-operative Conference held in Edmonton in 1936 and 1937 asked for financial assistance from wheat board surplus fund.

NOT ONE CENT OF ASSISTANCE GIVEN.

•

Success of Co-operatives due to the loyalty and business ability of the members and management.

BENEFITS (?) TO FARMERS

●

THE RECORDS BOAST

1,313,098 Gophers Died in Alberta in 1937 Under the Social Credit Government.

Even the Gophers can't stand it!

A government is indeed in a sorry plight when it must list among its achievements the destruction of grasshoppers, gophers and magpies, and the gathering of birds' eggs.

●

RURAL ALBERTA SUFFERS

No local road grants to Municipalities since 1935. Local roads and district highways suffer and the farmers penalized to provide money for surfaced tourist highways.

●

IF THEY KNOW THE TRUTH,
THE TRUTH WILL SET THEM FREE!

From Page 3 of *"The Records"*:

SOCIAL SERVICE TAX INCREASED 50%

●

A Direct and Unjust Burden on Overtaxed Agricultural Industry.

●

WHAT THEY TRIED TO DO

7% Production Tax on All Farm Production. The farmer to pay:

One egg in 15.
One hen in 15.
One pig in 15.
One cow in 15.
One bushel of wheat in 15.
One bushel of oats in 15.

The first step towards 100% Government control.

Farmers saved from this confiscation through this Act being disallowed by courts.

●

ARE FARMERS TO PAY THE COSTS FOR DIVIDENDS?

●

The six pages in *The Records* dealing with agriculture are an insult to the initiative, vision and industry of the pioneers, their sons and daughters, and all who have made a home for themselves and their families on the land, when it attempts, as it does, to capitalize on their individual and collective success.

ALBERTA'S EXTRAVAGANT GOVERNMENT

1. Civil Service Salaries:	1934-35	$	2,991,417
No. 9 Public Accounts	1938-39		3,460,376
	Increase	$	468,959
2. Travelling and Subsistence:	1934-35	$	271,172
No. 12 Public Accounts	1938-39		367,439
	Increase	$	96,267
	Mileage		Amount
3. Motor Car Expense: 1934-35	1,281,771	$	102,403
No. 12 Public Accts. 1938-39	1,941,805		155,033
Increase	660,034	$	52,630
4. Travelling Expense of Cabinet Ministers:	1933-34-35	$	11,845
No. 32 Public Accounts	1937-38-39		17,179
	Increase	$	5,334
5. Cost of Ministers' Offices:	1933-34-35	$	210,870
	1937-38-39		255,378
	Increase	$	42,508
6. Price of Premier's Car		$	3,550.98
7. Paid to Members of Legislature:	1934-35	$	118,025
No. 152 Public Accounts	1938-39		151,253
	Increase	$	33,228

ROADS

"*The Records,*" page 33, referring to roads states:

"HARD SURFACED"

Before 1935..... 78 miles

Before 1939.....505 miles

Seventy-eight miles built before 1935 is bituminized surface, 3 inches thick and has stood the test of continuous traffic, with a maintenance cost of $60.00 a mile per year.

Balance of surfaced road, 427 miles, is blotter surfaced, ½-inch thick.

Social Credit Government's "blotter-surface" consists of half-inch application. Repairs have been continuous, commencing within a few weeks of applying the "blotter-surface." Without this constant and expensive replacement work, the entire mileage of this so-called hard-surface would break down. Many miles have already been re-surfaced. Every traveller knows its patchwork appearance. On some stretches the patches cover a greater area than the original surface.

"*The Records,*" page 33, state that highways will be "*surfaced*" at an average cost of $1,400.00 per mile.

Mr. Fallow stated in provincial house on February 15, 1940, as reported in Edmonton *Journal*:

Cost of blottering or black topping was between $1,500.00 and $1,800.00 a mile.

ROADS

(Continued)

Cost of armour plate finish for this road estimated at $3,500.00 a mile; a 2½-inch plant mix with black top finish.

Only 78 miles of hard-surfaced road in the Province.

At least one and one-half millions of dollars required to hard-surface blotter roads during 1940 if the surface is to be maintained and investment protected.

Excessive maintenance cost must be faced until the road is surfaced with armour plate finish.

●

LOW SPOTS ON HIGHWAYS

Under the heading "Secondary Roads," "*The Records*," page 33, claim:

Present Government cost per cubic yard on all projects.....11.4c

In 1937 the "Lunney Commission," recorded the following costs of construction under the present Minister of Public Works:

Edmonton to Leduc.....26.6c per cu. yd.

Millet to Leduc.....30.45c per cu. yd.

These two jobs cost the present Government an average of 28.5c a yard.

The average of 11.4c claimed in "*The Records*" will not stand the light of public investigation.

ROADS

(Continued)

INEFFICIENCY AND WASTE

We quote from the report of the Lunney Commission:

"There was negligence, carelessness and unnecessarily expensive systems adopted throughout, that there was a lack of that degree of inspection which any one might expect on projects of this nature."

"The result of this new policy did not have the effect of reducing the cost of road work but *increased it very materially, and I am of the opinion that such excessive costs are to a very considerable extent due to the direct action of the minister.*" (Mr. Fallow).

IN PURSUIT OF A SPECTACULAR HIGHWAY PROGRAM FOR ELECTION PURPOSES, THE GOVERNMENT HAS BRUSHED ASIDE THE NEED IN FAR-FLUNG RURAL AREAS FOR SECONDARY AND MARKET ROADS.

In 1935 there was approximately 2,400 miles of gravelled road in fair condition throughout the province. Since 1935 these sections have been almost entirely neglected and as a result the capital investment has not only been lost but the all-weather road service is no longer available to the taxpayers.

LOST—$108,775.81 by Alberta, through Mr. Fallow's failure to employ 50% relief labour on highway construction, and so obtain Dominion grant.

Alberta has never received this grant, to which it would have been entitled if the Minister had protected the interest of the Province.

DIVIDENDS FOR SOCIAL CREDIT LEGISLATORS

A number of Social Credit members of the Legislature, contrary to parliamentary custom, have enjoyed considerable subsistence allowances on various commissions and boards as well as expenses over and above their indemnities.

EXAMPLES

THE RELIEF COMMITTEE

For period April 1, 1938, to March 31, 1939, were paid $8.00 per day.

	Totals Paid
A. V. Bourcier	$ 1,587.40
Mrs. E. Gostick	1,548.40
Dr. J. L. Robinson	1,371.90
Total	$ 4,507.70

Speaking at Ponoka, R. E. Ansley, M.L.A., Social Credit, Leduc, declared:

"The scrip experiment failed because—

1. Government members themselves would not accept it.
2. The theory of velocity of circulation was a fallacy."

DIVIDENDS FOR SOCIAL CREDIT LEGISLATORS

(Continued)

EXAMPLES

THE SOCIAL CREDIT BOARD

For period April 1, 1938, to March 31, 1939, were paid $8.00 per day.

	Totals Paid
F. M. Baker	$ 2,636.39
W. E. Hayes	2,644.56
A. J. Hooke	2,516.75
G. L. MacLachlan	4,155.96
Dr. J. L. McPherson	640.00
Total	$ 12,593.66

In addition to the above amounts the members received their $2,000.00 indemnity.

The Social Credit Government increased the sessional indemnities from $1,800.00 a year to $2,000.00 a year.

FOR THE SEVEN DAY SESSION JUST CONCLUDED THE MEMBERS WERE PAID $2,000, BEING $285.70 PER DAY.

The 62 members received $124,000.00.

Members of the Dominion House of Commons were paid $25.00 a day for the last session.

OIL DEVELOPMENT

"GODFATHERS OF GUSHERS"

In the same brazen way that the Social Credit government prides itself on nearly all Alberta's progress above the surface of the earth, so it takes the role of godfather in bringing of oil and gas from the ground itself. And as usual, there is the attempt to condemn the previous government—in this case for waste of natural gas.

Social Credit was not responsible for putting the oil in the ground or for taking it out. The only credit they can take is that they did not discourage production entirely. Undoubtedly the entry of more capital into Alberta oil fields was retarded by lack of confidence in Social Credit.

As to gas wastage, if there was any desire on the part of the Social Credit Government to set the matter in a fair light, their own book "The Case for Alberta" was before them. But to quote from this source was to acknowledge that what they were able to do was made possible by the long and patient work of the preceding Government.

We quote:

> **"Consistently, since the resources have been under the control of the Provincial Government, attempts have been made to effect conservation, but Alberta has always been confronted with the terms of The Transfer Agreement and its limitation of power granted the Province, which restrictions have been upheld by a judgment of the Supreme Court of Canada.**
>
> **It was only of recent date that the Dominion agreed to modify the terms of The Transfer Agreement so as to enable the Province to carry out proper conservation measures."**

ALBERTA CIVIL SERVICE

Since the Social Credit Government assumed office a large number of civil servants, including returned soldiers, have been dismissed, and their places taken almost invariably by supporters of the Government. In addition the numbers of civil service employees have been considerably increased.

ALBERTA CIVIL SERVICE

Salaries

$2,991,417.84	$3,460.376.40
(Public Accounts, 1935 page 66).	Public Accounts, 1939, page 67).

Travelling Expenses

$271,172.25	$367,439.39
(Public Accounts, 1935 page 307).	Public Accounts, 1939, page 326).

DRIVERS' LICENSE

1935	1939
50 Cents	$1.00
For Life,	Per Year,
$7,814.50	$131,182.00
(Public Accounts, 1935, page 164).	(Public Accounts, 1939, page 170).

FORCED DEFAULT

("*The Records*" Page 12)

50% Cut in Interest on Savings Certificates and Provincial Bonds

If the Provincial Government had accepted the Dominion Government's offer to co-operate in refunding the Provincial debt, the Province could have refunded at an interest rate little more than one-half the contracted rate and the honor and credit of Alberta would have been maintained.

●

PROMISES MADE

"We have no intention of injuring capital investments."

"We will protect capital."

"There will be no repudiation of debts."

"It will be our determination to see our people pay their debts."

—Aberhart in interview to J. F. Sanderson, C.P., at Calgary, August 26, 1935.

PROMISES BROKEN

May 27, 1936, Premier Aberhart announced:

"Compulsory reduction of interest rate of Alberta bonds, including Savings Certificates, to 2½%, to take effect June 1, 1936."

CONTRADICTION

"We would like to remind them (the people) that the rate of interest is a federal matter."

—Premier Aberhart,
Statement in Albertan, June 5, 1936.

FREEDOM OF THE PRESS

●

ATTEMPT TO THROTTLE FREE DISCUSSION

●

1. By attempting to license newspapers in order to obtain an unlimited censorship.
2. By passing, in October 1937, Alberta Press Act, which would have compelled free publication of Social Credit propaganda.
3. By "trial" of an Edmonton news writer by the legislature on trivial charges of "misrepresentation."

●

This Press Act was declared "unconstitutional" by the Supreme Court of Canada, March, 1938. The decision was later confirmed by the Privy Council.

ALBERTA'S PRESS REMAINS FREE.

> "No province has the power to reduce in that province the political rights of its citizens as compared with those enjoyed by the other provinces of Canada."
>
> —CHIEF JUSTICE LYMAN P. DUFF, in decision on Alberta's Social Credit Alberta Press Act.

COLD, HARD FACTS

Page 3 of *"The Records Tell the Story"* states:

> *"These Facts can be verified from Official Reports Available to All who Care to Check Them."*

Yes, you could check up on that entire misleading manual—

(a) If you bought and studied the Public Accounts of Alberta, and many other documents.

(b) If you knew in detail the history of Alberta and its government.

(c) If you had the time.

•

"If they know the TRUTH the TRUTH will set them FREE!"

•

In this booklet, *"The Truth About the Records,"* cold, hard facts are set down, to save your time. To save your time we tell you, when necessary, where these facts came from.

•

THE PUBLIC ACCOUNTS TELL THE TRUTH!
WHERE ARE THE DIVIDENDS?

1935 SUPPLEMENTARY REVENUE TAX RATE 2 MILLS.	NOW IS	1939 SOCIAL SERVICE TAX RATE 3 MILLS.

ANOTHER MIS-STATEMENT OF PUBLICLY KNOWN FACTS

•

Premier Aberhart Declares His Government Has "Stopped Borrowing"

BECAUSE NOBODY WILL LEND TO FAITHLESS GOVERNMENTS

•

SOCIAL CREDIT—NO CREDIT—DISCREDIT

The Government has tried to borrow but could not.

•

No debtor who repudiates his obligations can get credit.

•

The Aberhart Government has repudiated its obligations.

The government that breaks faith with the people is unworthy of trust.

"Social Credit did not spring from the soil of the West. It blew in on the wind from the outside, like the locust and the potato bug and the rust on the wheat."

—Stephen Leacock, in "Out West."

DICTATORSHIP

●

ALBERTA IS THREATENED WITH BOSS RULE

●

"Eternal vigilance is the price of liberty."
—J. P. CURRAN.

●

Democratic Institutions and Personal Liberty are Trampled Under Foot.

●

ILLUSTRATIONS

1. Social Credit members were asked, following the insurgency in the government ranks in 1937, to pledge their allegiance to Premier Aberhart and his government and to "avoid recriminations." This was the famous "Blue Pledge," said to have been drafted by G. F. Powell.

2. Government passed resolution to break agreement for policing the Province by the R.C.M.P., and substituting for it a provincial police force, which would be under the control of the Provincial Government.

3. Attempt to license and control newspapers in Alberta, compelling them to publish Social Credit propaganda free, as handed out by the Government.

DICTATORSHIP

(Continued)

4. The undemocratic method of selecting candidates for the Social Credit party, with a committee headed by Mr. Aberhart in control of the final selection, constituencies being permitted only to "suggest" three or four names to a committee.

5. Passing of the "Bank Employees' Civil Rights Act, 1937," which would have robbed all employees in banks, who refused to take out a license, of the British right of access to the courts.

6. Attempt to "confiscate" seven per cent of all the farm production in the Province. This was done by passage of the "Agricultural Land Relief Act," which declared seven one hundredth parts of all agricultural produce to "become vested in the crown."

   This Act resembles the dictatorship of Herr Hitler.

The German dictator's method, as revealed in "Mien Kampf," is to begin in small ways and then go on to claim more and more of the people's rights and substance.

> "We have been asked to vote more money for the premier's office than was required by previous premiers. The premier's salary is $8,960. At the first session we were asked to vote $2,800 extra for stenographers, stationery and postage.
>
> —Mrs. Edith Rogers, M.L.A., S.C., at Calgary, Edmonton Journal, May 15, 1937.

SOLDIERS OVERSEAS DISFRANCHISED

Notwithstanding that a proposal was made at the recent session of the Legislature to provide for the taking of votes of Alberta soldiers on active service overseas, the Government definitely refused to make any such provision and, consequently, these soldiers, who are absent only by reason of their desire to serve their country, are disfranchised.

It is significant to note that during the Dominion election in 1917 in the Great War, the Dominion Parliament made provision for the taking of the soldiers' votes.

The Dominion election is being held only five days later than the Provincial election, and the Dominion Government have again made provisions for the taking of the soldiers' votes overseas.

If the Dominion Government can satisfactorily make such a provision, what excuse has the Provincial Government for not doing so when the Provincial election is being held practically at the same time.

TAXATION FOR PROPAGANDA

PUBLIC FUNDS WERE USED IN THE INTERESTS OF THE POLITICAL PARTY IN POWER

BROKEN PROMISES

1. Monthly dividends ($25.00) for all citizens.
2. Interest Free Loans.
3. Taxation of $2,000,000.00 a year on the Banks which would not cost them anything.
4. No increase in taxation.
5. No increase in public debt.
6. No repudiation of debts.
7. No default on provincial maturities.
8. Refunding of public debt.
9. Settlement of private debts.
10. Recall legislation.
11. Just Price.
12. Lower cost to live.
13. A new industry every week.
14. Elimination of unemployment.

THE MOST "PROMISING" PREMIER EVER KNOWN IN CANADIAN POLITICAL HISTORY

. . . ABERHART.

"After the election we assumed pedestals, but the public have discovered we have feet of clay."

A. V. BOURCIER, *M.L.A.*, Lac Ste Anne.
(Press of March 25, 1937).

VETERANS UNJUSTLY TREATED

In its fevered greed to "plug" the Civil Service with its own admirers, the Social Credit government, during 1935, 1936 and 1937, discharged a large number of veterans of the Great War, many of them amputation or other partial-disability cases.

The make-up and glory of the British Coat of Arms became Premier Aberhart's patriotic theme in late 1939. A thousand of these addresses will not atone or erase the callousness and inhumanity the Government showed in the early period of its political power toward soldiers of the 1914-1918 War.

"The Truth About the Records"

unlike

"THE RECORDS TELL THE STORY"

was not

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